

HEALTHCARE INFRASTRUCTURE GRANT PROGRAM QUESTIONS AND ANSWERS

November 22, 2021

Program Summary

The purpose of the Healthcare Infrastructure Program is to provide grants for investments in healthcare infrastructure necessary to reduce disparities in healthcare services provided to individuals living in Qualified Census Tracts or to other populations disproportionately affected by the COVID-19 pandemic. The State intends to award \$50 million in grants through this program. Funding is provided by the Federal American Rescue Plan Act of 2021. Additional details are available on the <u>Program website</u>.

Prior to contacting DOA please consult the Grant Announcement, Grant Application and this Question-and-Answer document available on the Program Website.

U.S. Department of the Treasury American Rescue Plan Act guidance can be found here.

FOR ALL QUESTIONS RELATED TO ALLOWABLE EXPENSES

DOA will execute grant agreements with successful applicants only after DOA determines that expenses and lost revenues included in an application are reasonably consistent with guidance from the US Department of Treasury for use of State and Local Fiscal Recovery Funds under the American Rescue Plan Act requirements, and Program provisions. DOA's execution of grant agreements, however, is not dispositive as to whether any particular cost meets the criteria. Applicants retain responsibility for demonstrating eligibility of expenses and are required to hold DOA harmless for any audit disallowance related to the eligibility of costs, including repayment of ineligible amounts.

FOR ALL QUESTIONS RELATED TO APPLICANT ELIGIBLITY

DOA will not respond to inquiries regarding an applicant's specific eligibility. Each applicant is required to determine its eligibility based on program requirements provided in the Grant Announcement. However, DOA will accept and answer questions seeking clarification of eligibility requirements. DOA will determine applicant eligibility only as a routine matter during the application review process after the application deadline has passed. Applicants should carefully review "Section 4. Eligibility Requirements" of the Grant Announcement prior to applying.

1. The Health Resources and Services Administration (HRSA), the governing authority for FQHCs, offered every FQHC in the country a formula-based capital award in late June, 2021. The formula was largely based on the number of patients served annually, which meant that smaller FQHCs, such as the one I represent, received relatively small awards. Ours was \$582,000. We could not, of course, anticipate that this opportunity from the state was forthcoming. Please tell me that in accepting \$582,000 from the federal government we haven't made ourselves ineligible for a substantially larger award from the state. We have a \$15M project teed up to break ground in March.

Response: An award from the HRSA will not impact your eligibility for this grant application. However, applicants should be very clear in their application that the funding sought from this grant program will not be used for expenses that have been/will be covered by another state or federal award.

2. Please clarify if we can apply for the State Healthcare Infrastructure Capital Grant to be utilized for an existing project that we are also applying our HRSA ARP Capital award which does not cover the total cost of the project.

Response: Yes; however, applicants should be very clear in their application that the funding sought from this grant program will not be used for expenses that have been/will be covered by another state or federal award.

3. If we have federal funds (ARPA Capital grant for FQHCs and Earmark) to fund the development of a currently designed project to purchase and renovate a building just north of our clinic to add a pharmacy and do a small addition connecting it to our current building to add COVID appropriate waiting space. Can we use funds from the state healthcare infrastructure grant to allow us to do an even larger expansion project to add additional space and services? Those services and space would be on the second floor of the new addition. Without this funding we won't be able to add the additional services or the second floor we are hoping to add.

Response: Yes, applicants should be very clear in their application that the funding sought from this grant program will not be used for expenses that have been/will be covered by another state or federal award.

4. Our Fire Department is interested in applying for the Healthcare Infrastructure Capital Grant Program. We are an intergovernmental agreement and are wondering if we are an eligible entity to submit for this grant opportunity. We do have our own EIN and tax-exempt status.

Response: If an organization meets all of the eligibility criteria identified in section 4 of the grant announcement here: Healthcare Infrastructure Capital Grant Announcement.pdf (wi.gov), then they are eligible to apply.

5. Our organization is a governmental entity, but we also run a non-profit foundation. The organization does not have a DFI Entity ID, but the foundation does. Does it matter which organization I use to apply for the grant?

Response: Based on the information provided, you indicate that your organization is a governmental entity. If that is the case, then the DFI status is not required. DFI status is only required of non-profit organizations.

6. Does a 501(c)3 Assisted Living Facility qualify for the Wisconsin Healthcare Infrastructure Capital Grant Program as an eligible healthcare organization?

Response: Yes, it is a potentially eligible organization if it meets other eligibility criteria.

7. Would long term care facilities such as skilled nursing, memory care, or assisted living facilities be eligible?

Response: Yes, they are potentially eligible applicants if they meet other eligibility criteria.

8. If the applying organization runs a free clinic but the clinic is one of several services, can the 501(c)(3) org apply for its clinic? The clinic meets all other criteria but is not its own 501(c)(3). The applying org. is also a member of WAFCC because of its clinic.

Response: If an organization meets the eligibility criteria, then they may apply for funding.

9. Is a CBRF (community based residential facility) eligible if it is a 501c3?

Response: Yes, it is potentially eligible if it meets the other eligibility criteria.

10. I am reaching out regarding the healthcare infrastructure grant program eligibility. Our hospital as well as the hospital foundation are interested in applying for the infrastructure grants. The hospital system serves western Wisconsin. However, they are owned by Allina Health, based in MN. Can you clarify if our hospital is eligible to apply for the grants?

Response: Per the eligibility guidelines, the applicant must be headquartered in and conduct operations in Wisconsin in order to be eligible for this grant program.

11. In the beginning part of the application, it requires a DFI number. We do not have this. We are owned by 4 townships. As far as I know, townships do not have DFI numbers either. We are considered a government entity the same as the townships. Does this mean that our ambulance service does not qualify? We have had a huge infrastructure project going on and have qualifying expenses. We are also looking at purchasing new ambulances, but due to the infrastructure that is going on, we cannot afford these.

Response: Governmental entities are not required to provide a DFI entity number. The applicant for these funds must meet the eligibility requirements posted here: Healthcare Infrastructure Capital Grant Announcement.pdf (wi.gov). Note that vehicles that act primarily for patient transport only (emergency or non-emergency) are not eligible for funding under this program.

12. Section 2.5 of the Grant Announcement states that multiple applications from an applicant are not allowed. Does this restriction apply to affiliated entities? Our health system includes one critical access hospital network that is preparing a submission for a clinic construction, and another

application is being prepared by the system's medical foundation to help build a simulation training center in a different community. The total cost for both projects would be well under the total award limit for one application. Both organizations have their own Tax ID/W-9 etc. but are affiliated entities belonging to one overall health system. If not, can the health system apply for a grant that would fund construction at two sites if the total budget is under \$20M?

Response: Applicants are only allowed to submit a single application per eligible EIN.

13. Since we are a health system, we service a large area and are curious if we can apply for multiple projects?

Response: Applicants are only allowed to submit a single application per eligible EIN.

14. We are looking to apply to the Healthcare Infrastructure grant but noticed that as a Healthcare Organization one of the qualifications is that we must be in operation since January 1, 2020: our organization has been around since 2014 but we just started renovation for the community clinic this year. Do we still qualify for the grant?

Response: January 1, 2020, refers to the date of the organization's incorporation, which is verified through DFI.

15. I was looking at the new Infrastructure Grant and noticed that our county is not listed in the State Census Tract chart. Does that mean we do not qualify for the Healthcare Infrastructure Grant?

Response: No, applicants are not required to be located in a Qualified Census Tract. If an applicant is in an eligible Qualified Census Tract or serves residents of a QCT, that is one way that applicants can demonstrate that their project will work to meet the needs of communities disproportionately impacted by the pandemic; however, applicants can also demonstrate this by other means by providing information in their application demonstrating the particular impacts the COVID-19 pandemic had on their area.

16. Hoping there might be someone to talk to regarding the determination of the Qualified Census Tracts. As the tracts seem to favor more urban areas, leaving rural areas of the state left out in trying to further reduce some of the health disparities that they face versus urban centers.

Response: Please see the response to question number 15. Not being located in a QCT does NOT prohibit an applicant from applying for funds.

17. I saw that the populations to be served are qualified census tracts OR populations disproportionately affected by the COVID-19 pandemic. Just to clarify, do the populations served ALL have to be within the qualified census tracts? To be specific, we would like to utilize funding to build/expand into our rural service areas which were disproportionately affected by COVID, but don't appear to be in the qualified census tracts.

Response: No, all populations served do not need to be in a Qualified Census Tract. Yes, the project identified could be potentially eligible.

18. Can you please clarify how populations disproportionately affected by the COVID-19 Pandemic is defined for this grant program?

Response: Applicants may use their own data to demonstrate disproportionate impacts, items such as increased unemployment, business closures, high-poverty rates, increased health impacts, or other such data may be used.

19. Does an applicant's proposed facility have to be directly within a census tract outlined in the application or just serving that area?

Response: The project does NOT have to be located in a Qualified Census Tract in order to be eligible.

20. As it doesn't seem to be scored, how important is it for an otherwise qualified organization to be located in a Qualified Census Tract?

Response: It is not required for the project to be in a Qualified Census Tract.

21. In the "eligible use of funds" section, could you define "healthcare facility"? Does it need to be a facility where healthcare services are delivered, or can it be a facility that facilitates healthcare services?

Response: Healthcare Facility is a facility where healthcare services are delivered.

22. An eligible use is "Rehabilitation or renovation of existing facilities for purposes of: Meeting increased future or current demand in underserved areas or upgrading substandard facilities." Is there a definition for what qualifies as a substandard facility?

Response: The applicant should supply information about how facilities are substandard, an example may be the age or condition of the facility.

23. Does this grant require match?

Response: No, match is not required for the grant.

24. Can these funds be used for a project that is also being supported by different grant (state or federal)?

Response: More specific details are needed regarding the types of grants the applicant may already have. In general applicants should highlight all sources of project funding and recognize that if existing resources are in place, grant funds cannot be used to supplant already funded activities or projects. Additionally, DOA may reduce or limit awards for entities that have already been awarded other ARPA funding.

25. What if I applied for the Equitable Recovery Grant for other projects? Can I still apply here for a construction grant?

Response: Yes, however, applicants may have their award limited or reduced if funding from another state ARPA-funded grant program has been secured. Awards will only be made for activities or costs not already covered through other funding sources.

26. Can you be awarded the Equitable Recovery grant and the Healthcare Infrastructure grant?

Response: Please see the response to question #26.

27. Thank you for response re submission of project requests under Equitable Recovery vs Infrastructure. To clarify, can the same institution (i.e., large health system) apply for distinct projects (operations support vs capital support at different locations) under the two grant programs?

Response: See the response to question #26.

28. We are working on an application for expanding fire stations in our city to provide for new EMS training and storage facilities. We were originally going to apply for the Neighborhood Investment Grant program and received confirmation through the Q&A that this would be an eligible project. However, we are thinking the Healthcare Infrastructure Capital grant may be a better fit. Would you suggest that we submit under the Healthcare Infrastructure Capital grant instead? Could we submit the same application for both programs and allow DOA to use its discretion as to which program it would be best suited under, should it be chosen for an award?

Response: At this time the Neighborhood Investment grant program has closed, so yes, we recommend applying for this grant program.

29. For the project budget portion, do you only want us to include eligible expenses?

Response: All expenses should be included, but funding sources to support costs should be identified.

30. We are preparing a proposal for the construction of a new clinic. The city where this clinic will be located will be responsible for site preparation of the building lot. We would like to include the costs of this site preparation on behalf of the city in our project budget. Would this be unallowable per 10.10 (subawards) of the funding announcement? If so, would it be allowable for our organization to itemize the City's costs in our grant budget and pay them directly to the vendors that the city would use?

Response: Site preparation costs could be part of an otherwise eligible project. Payment for these services would need to be done through a contract for service rather than a subaward.

31. If you do not have a specific location determined for a project yet, what should you be putting for the Site Information section?

Response: The applicant should respond to the related questions with "Unknown".

32. Do we need to have all subcontractors already identified? Or OK to provide cost estimates for type of work needed?

Response: Having subcontractors identified and actual costs determined will strengthen the overall application but are not required.

33. We have purchased a new facility and had to renovate the facility costing the service \$500,000. Is this something that would qualify for the grant if the work has already been accomplished but the costs were during the time frame?

Response: If the entire applicant project has already been completed with funding outside of the grant, the applicant would not be eligible for funding.

34. Does the entirety of the project need to be completed by 12/31/2022, or just the funding spent?

Response: Applicants have until 12/31/2024 to complete their projects.

35. Does a project have to be shovel ready to be awarded as long as it can be completed before 12/31/2024?

Response: No, but the applicant should identify when the work is likely to begin for the identified project and must recognize that work must be completed by 12/31/24. As this is a competitive application process, applications which are shovel-ready will likely be rated higher than those that are not.

36. ARPA SLFRF indicates funds must be committed by 12/31/24 but may be expended thru 12/31/26. This Healthcare Infrastructure Grant requires all expenses to be committed and expended by 12/31/24 correct?

Response: Correct this program requires awarded funds to be spent by 12/31/24.

37. We are contemplating a name change in 2022. If awarded funding, will this be an issue? If so, how would we address it?

Response: The applicant should provide details that are current at the time of the application, if an award is made, the name change would be addressed during the grant agreement execution.

38. We will be moving 1/18/22. Should we use our new address?

Response: The applicant should use the address details that are current at the time of the application.

39. Will you partially fund grant requests or is it all or nothing?

Response: That is unknown at this time. DOA does reserve the right to DOA reserves the right to negotiate, limit or amend awards in accordance with objectives of the program and available funding.

40. How many grant requests are you hoping to fund?

Response: A specific number of awards has not been identified and will be determined depending on the number of successful applications submitted to the program in relationship to the available funding amount.

41. With a \$20M application cap and only \$50M available, is there an optimal size of budget you are looking for?

Response: No, however applications should not exceed the \$20 million dollar cap.

42. Is there a funding limit per request for FQHCs? I was wondering if there is a carved out pot of funds designated for FQHCs in the state AND, if yes, does each FQHC then have a total project request limit.

Response: No, there is not a pot carved out for Federally Qualified Health Clinics (FQHCs).

43. How will funds be dispersed (all up front, partial up front then remainder after report, etc.)?

Response: A partial disbursement will be made available after grant agreement execution. Additional release of funds will occur after successful project progress and reporting.

44. What operational costs will be supported during the grant period? (i.e., rent or utilities for new facilities/space, staff for additional service provision, etc.)

Response: Rent and utilities are potentially eligible expenses. Staffing costs for delivery of services are not allowable. Additional information is available in Section 7 of the grant announcement here: Healthcare Infrastructure Capital Grant Announcement.pdf (wi.gov).

45. Is purchase of land an allowable cost for this grant?

Response: Yes, land purchase is a potentially allowable expense.

46. I work for a nonprofit continuum of care organization. I have reviewed the guidelines for the Healthcare Infrastructure Grant and saw that the "purchase and/or lease of equipment and fixtures for the delivery of new or expanded healthcare services" is an eligible use of the funds. Would a request for funds to purchase a Wheelchair Passenger Van to provide seniors in our facility with greater access to transportation for healthcare be considered eligible under that category?

Response: Vehicles that act primarily for patient transport (emergency or non-emergency) are not eligible for funding under this program.

47. Are furnishings allowable expenses? Example--beds, etc.

Response: Purchases and/or leases of equipment and fixtures for the delivery of new or expanded healthcare services are allowable expenses.

48. Is demolition of an existing building an eligible expense if it is part of the overall construction budget to expand a current facility?

Response: Yes.

49. Our project is Mobile and will require a professional driver as part of a functional facility. Could this be considered an eligible expense as it is related to expansion of existing healthcare needs, if not the human capital could the training and licensing of an individual be included?

Response: Please note this question was not answered correctly in the webinar. No, professional services and human capital costs other than those related to construction are not eligible expenses in this grant program. Eligible expenses are outlined in Section 7 of the grant announcement.

50. Are costs associated with a new or expanded parking lot allowed?

Response: They are a potentially allowable expense as part of a larger eligible project.

51. What, if any, staff costs are allowable through this funding mechanism?

Response: The purpose of the Healthcare Infrastructure Capital Investment Grant program is to provide funding for the purpose of making significant investments in healthcare infrastructure. Wages for staff providing services are not fundable under this application.

52. Does a purchase or lease of a vehicle to provide expanded healthcare services count as an eligible cost?

Response: Where a vehicle is going to be deployed for the delivery of healthcare services that are substantially similar to those available in a brick and mortar clinic (i.e., a mobile clinic), such a vehicle would be eligible under this grant program. However, vehicles that act primarily for patient transport (emergency or non-emergency) are not eligible for funding under this program.

53. We would like to purchase and renovate an adjoining building along with doing an addition, but that building does not have parking. Could we also include as part of the proposal a request to use some of the funds to purchase a separate parcel of property to add parking?

Response: Construction of parking spaces could be part of a larger eligible project.

54. Can a program include temporary space prior to completion of a new facility? I.e., rented space to begin services prior to completion of the proposed new facility.

Response: Rent of space during construction of a new facility is a potentially eligible expense.

55. Would the grant cover purchase of ambulances if the service has been traveling further distances due to COVID and the equipment has been strained?

Response: Please see the response to question #53.

- 56. Our application will be primarily office renovations. This includes but is not limited to:
 - Converting storage space to exam rooms and clinic space
 - Construction of offices in existing open space for extra staff and privacy requirements We would also propose some equipment including exam tables, bariatric office furniture, fridge/freezer for water samples and lab cabinets.

Our public health office and family planning unit meet the requirements of the grant in serving Medicare and Medicaid qualifying individuals. I wanted to confirm renovations were consistent with intent.

Response: The listed items would be eligible expenses as part of an otherwise qualified application.

57. If another office is moved to create space for public health, can funds be used for the other (non-health) office new space?

Response: No.

58. The link to the Qualified Census Tracts in the document did not work for me, is the following link accurate? https://www.huduser.gov/portal/datasets/qct.html

Response: The following link provides a more direct link to Qualified Census Tract data in Wisconsin State Table | HUD USER

59. I listed our CEO as the authorized rep, but now she's the one receiving the link to complete. Can I start over?

Response: The application should be completed by the Authorized representative. If an applicant wishes to withdraw an application, they can submit their intent to do so to the program email DOAHealthcareInfrastructureGrantProgram@wisconsin.gov.

60. I have started a Healthcare Infrastructure Capital Grant Program application, and I need help sharing that draft application with others in my organization who will help me complete the application. I entered someone as an alternate contact for the application, but we can't determine how to get her access...please provide directions.

Response: Please follow the instructions here: <u>Healthcare Infrastructure Application Instructions and Document Links.pdf (wi.gov)</u>. Also, as a reminder, a convenience copy of the application is also available here: <u>CONVENIENCE COPY - Healthcare Infrastructure Capital Grant - Application.pdf (wi.gov)</u> which could be shared.

61. Where can we find out whether our agency has a DFI Entity ID, and if so, what is it?

Response: An organization's DFI (Department of Financial Institutions) Entity ID is available to search at the following link: https://www.wdfi.org/apps/CorpSearch/Search.aspx. Per Section 4.1.2 of the Program Grant Announcement, applicants, if required, must be registered with the Wisconsin Department of Financial Institutions and have one of the following statuses as of the Grant Announcement closing date: "restored to good standing", "incorporated/qualified/registered", "organized", or "registered".